

Judge Pechman

**UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF WASHINGTON
AT SEATTLE**

IT IS HEREBY STIPULATED by and between the Plaintiff, United States of America, by and through John McKay, United States Attorney for the Western District of Washington, and Richard E. Cohen, Assistant United States Attorney for said District, and Claimant, HomeStreet Bank, by and through Joseph A.G. Sakay and Jerry N. Evans, its counsel, to compromise and settle claimant's claim with respect to the defendant real property located at 151 East Boundary Road, Lynden, Washington (Exhibit A – hereinafter "the defendant real property") according to the following terms:

1. The parties to this agreement hereby stipulate that to the extent that the defendant real property was used to facilitate the conspiracy to distribute a controlled substance, to wit, marijuana, in violation of Title 21, United States Code, Section 841(a)(1) and 846, as alleged by

**EXPEDITED SETTLEMENT AGREEMENT
HOMESTREET BANK- 1 -
C05-1309MJP**

UNITED STATES ATTORNEY
700 Stewart Street, Suite 5220
Seattle, Washington 98101-1271
(206) 553-7970

1 ||plaintiff, this occurred without the knowledge or consent of HomeStreet Bank.

2 2. Plaintiff agrees that upon sale of the defendant real property by the United States
3 Marshals Service pursuant to entry of a Final Judgment of Forfeiture by this court, and after
4 payment of expenses of custody and sale incurred by the United States Marshals Service, which
5 expenses shall not exceed an amount that will result in HomeStreet Bank receiving less than the
6 below-described amounts, the following shall be paid to claimant, HomeStreet Bank from the
7 proceeds of the sale of the defendant real property:

8 a. All unpaid principal due to HomeStreet Bank in the amount of \$43,341.97 as
9 of December 7, 2005, pursuant to the Deed of Trust recorded October 14, 2003, in the official
10 record of Whatcom County, State of Washington, as document #2031003363, and as fully
11 described in the Notice of Claim by HomeStreet Bank on file herein.

b. All unpaid interest in the amount of \$827.98 together with interest accruing at a per diem of \$7.87 from December 8, 2005, until the date of payment.

c. Reconveyance and recording fees of \$85.00, uncollected late charges
\$32.02, NSF charges \$20.00., attorney's fees and costs \$7,126.26.

16 3. The payment to HomeStreet Bank shall be in full settlement and satisfaction of any
17 and all claims by HomeStreet Bank to the defendant real property named in the above-captioned
18 forfeiture action and all claims, except as specified in paragraph 6 below, resulting from the
19 incidents or circumstances giving rise to this forfeiture action.

20 4. Upon payment, HomeStreet Bank agrees to assign and convey its security interest
21 to the United States of America via recordable documents and to release and hold harmless the
22 United States, and any agents, servant, and employees of the United States (and any involved
23 state or local law enforcement agencies and their agents, servants, or employees), in their
24 individual or official capacities, from any and all claims by HomeStreet Bank and its agents that
25 currently exist or that may arise as a result of the Government's actions against and relating to the
26 defendant real property.

27 6. As a part of this settlement, upon signing of this agreement and approval of the
28 agreement by the court, HomeStreet Bank agrees not to pursue any other rights it may have under

1 the mortgage instrument, including but not limited to any right to foreclose upon and sell the
2 defendant real property and any right to assess additional interest or penalties.

3 7. HomeStreet Bank understands and agrees that by entering into this Expedited
4 Settlement of its interest in the defendant real property, it waives any rights to litigate further
5 against the United States its interest in the defendant real property and to petition for remission or
6 mitigation of the forfeiture. If this Agreement is approved by the court, then unless specifically
7 directed by an order of the court, HomeStreet Bank shall be excused and relieved from further
8 participation in this action.

9 8. HomeStreet Bank understands and agrees that the United States reserves the right to
10 void the expedited settlement agreement if, before payment of the mortgage or lien, the United
11 States Attorney obtains new information indicating that the mortgagee or lienholder is not an
12 "innocent owner" or "bona fide purchaser" pursuant to the applicable forfeiture statutes. In the
13 event the United States obtains any such information, the United States Attorney also reserves the
14 right, in its discretion, to terminate the forfeiture at any time and release the subject property. In
15 either event, the Government shall promptly notify HomeStreet Bank of such action. A
16 discretionary termination of forfeiture shall not be a basis for any award of fees under Title 28,
17 United States Code, Section 2465.

18 9. HomeStreet Bank agrees to execute further documents, to the extent necessary, to
19 convey clear title to the property to the United States and to implement further the terms of this
20 settlement. Each party agrees to bear its own costs and fees, except as expressly set forth herein.

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EXPEDITED SETTLEMENT AGREEMENT
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10. Payment to HomeStreet Bank pursuant to this settlement agreement is contingent upon forfeiture of the defendant property to the United States, the Court's entry of a final judgment of forfeiture, and sale of the defendant property.

Respectfully submitted,

JOHN MCKAY
United States Attorney

Dated 1/30/06

/s/ Richard E. Cohen
RICHARD E. COHEN
Assistant United States Attorney
601 Union Street, Suite 5100
Seattle, Washington 98101-3903
206/553-2242; fax 206/ 553-6934
Richard.E.Cohen@usdoj.gov

Hillis Clark Martin & Peterson, P.S.

Dated 1/24/06

By /s/ Joseph A.G. Sakay
JOSEPH A.G. SAKAY, WSBA 24667
Attorney for HomeStreet Bank
500 Galland Building
1221 Second Avenue
Seattle, Washington 98101-2925
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Hillis Clark Martin & Peterson, P.S.

Dated 1/24/06

By _____ /s/ Jerry N. Evans

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EXPEDITED SETTLEMENT AGREEMENT
HOMESTREET BANK- 5 -
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ORDER

This Stipulated Expedited Settlement Agreement between the United States of America and HomeStreet Bank is hereby approved.

DATED this 8th day of February, 2005.


Marsha J. Pechman
U.S. District Judge

Presented by:

/s/ Richard E. Cohen
RICHARD E. COHEN
Assistant United States Attorney
601 Union Street, Suite 5100
Seattle, Washington 98101-3903
206/553-2242; fax 206/ 553-6934
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/s/ Joseph A.G. Sakay
JOSEPH A.G. SAKAY
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/s/ Jerry N. Evans
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EXHIBIT A

LEGAL DESCRIPTION:

THAT PTN OF LOT 2 NOTEBOOM SHORT PLAT REC BOOK 12 SHORT PLATS PG 5
DAF-TR IN GOVT LOT 4 DAF-BEAP ON N LI OF GOVT LOT 4 528 FT W OF NE COR-TH
W 120 FT-TH S 290 FT-TH E 120 F-TH N 290 FT TO POB

Parcel No. 410331 073317 0000

**EXPEDITED SETTLEMENT AGREEMENT
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